

Memorandum

Date: March 13, 2019

Subject: INFORMATION: Audit Announcement | PHMSA Safety Culture |

Project No. 18S3008S000

Pipeline and Hazardous Materials Safety Administration

From: Barry J. DeWeese

Assistant Inspector General for Surface Transportation Audits

To: Pipeline and Hazardous Materials Safety Administrator

Incidents involving pipelines and hazardous materials can have far-reaching consequences on the public and the environment. According to the Pipeline and Hazardous Materials Safety Administration (PHMSA), in the last 5 years, 3,319 pipeline incidents in the United States have caused an average of 15 fatalities and 62 injuries per year. The impact on the public can be costly, as incidents involving pipelines or shipments of hazardous materials incurred average annual damages of \$535 million over the last 5 years.

The Department of Transportation's (DOT) strategic plan emphasizes the importance of promoting a positive safety culture across the transportation sector. Given its mission to protect people and the environment by advancing the safe transportation of energy and other hazardous materials, PHMSA plays a critical role in the DOT plan. As part of its oversight responsibility, PHMSA develops and enforces regulations for 2.6 million miles of pipelines and nearly 1 million daily shipments of hazardous materials.²

PHMSA's strategic plan outlines a goal to build a more positive safety culture by emphasizing safety over competing goals and demands. Across the Federal Government, regulatory agencies like PHMSA influence safety culture at their regulated entities through internal controls such as compliance and enforcement measures and by upholding leading practices.

Accordingly, we are initiating an audit to assess PHMSA's efforts to foster a positive safety culture as it carries out its mission and other responsibilities. We plan to begin this audit immediately and will contact your audit liaison to

¹ PHMSA, *All Reported Incident 20 Year Trend*, https://www.phmsa.dot.gov/data-and-statistics/pipeline/pipeline-incident-20-year-trends.

² PHMSA, Hazardous Materials Regulations, June 28, 2017, https://www.phmsa.dot.gov/.

schedule an entrance conference. If you have any questions, please contact me at (202) 366-5630 or Wendy Harris, Program Director, at (202) 366-2794.

cc: DOT Audit Liaison, M-1 PHMSA Audit Liaison, PH-4